

Union Calendar No. 205

103D CONGRESS
1ST SESSION

H. R. 3225

[Report No. 103-296, Parts I, II, III, and IV]

A BILL

To support the transition to nonracial democracy in
South Africa.

NOVEMBER 17, 1993

Reported from the Committee on Ways and Means, com-
mitted to the Committee of the Whole House on the
State of the Union, and ordered to be printed

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To support the transition to nonracial democracy in South Africa.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 1993

Mr. JOHNSTON of Florida (for himself, Mr. PAYNE of New Jersey, Mr. HAMILTON, Mr. MFUME, Mr. DELLUMS, Mr. BISHOP, Mr. BLACKWELL, Ms. BROWN of Florida, Mrs. CLAYTON, Mr. CLYBURN, Miss COLLINS of Michigan, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. DIXON, Mr. FIELDS of Louisiana, Mr. FORD of Tennessee, Mr. FRANKS of Connecticut, Mr. HASTINGS, Mr. HILLIARD, Ms. NORTON, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LEWIS of Georgia, Ms. MCKINNEY, Mrs. MEEK, Mr. OWENS, Mr. RANGEL, Mr. RUSH, Mr. SCOTT, Mr. STOKES, Mr. THOMPSON of Mississippi, Mr. TOWNS, Mr. TUCKER, Ms. WATERS, Mr. WATT, Mr. WHEAT, Mr. WYNN, Mr. GEJDENSON, Mr. ACKERMAN, Mr. EDWARDS of California, Mr. ENGEL, Mr. TORRICELLI, Mr. BURTON of Indiana, and Mr. ROYCE) introduced the following bill; which was referred jointly to the Committees on Foreign Affairs, Banking, Finance and Urban Affairs, Ways and Means, and Public Works and Transportation

OCTOBER 15, 1993

Reported from the Committee on Foreign Affairs with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

NOVEMBER 8, 1993

Reported from the Committee on Public Works and Transportation with amendments

[Insert the part printed in boldface italic]

NOVEMBER 15, 1993

Reported from the Committee on Banking, Finance and Urban Affairs with an amendment

[Strike out all after the enacting clause and insert the part printed in boldface roman]

NOVEMBER 17, 1993

Reported from the Committee on Ways and Means, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

A BILL

To support the transition to nonracial democracy in South Africa.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “South African Demo-
5 cratic Transition Support Act of 1993”.

6 **SEC. 2. FINDINGS**

7 The Congress makes the following findings:

8 (1) After decades of apartheid, South Africa
9 has entered a new era which presents a historic op-
10 portunity for a transition to a peaceful, stable, and
11 democratic future.

12 (2) Through broad and open negotiations, the
13 parties in South Africa have reached a landmark
14 agreement on the future of their country. This
15 agreement includes the establishment of a Transi-
16 tional Executive Council and the setting of a date
17 for nonracial elections.

1 (3) The international community has a vital in-
2 terest in supporting the transition from apartheid
3 toward nonracial democracy.

4 (4) The success of the transition in South Afri-
5 ca is crucial to the stability and economic develop-
6 ment of the southern African region.

7 (5) Nelson Mandela of the African National
8 Congress and other representative leaders in South
9 Africa have declared that the time has come when
10 the international community should lift all economic
11 sanctions against South Africa.

12 (6) In light of recent developments, the continu-
13 ation of these economic sanctions is detrimental to
14 persons disadvantaged by apartheid.

15 (7) Those calling for the lifting of economic
16 sanctions against South Africa have made clear that
17 they do not seek the immediate termination of the
18 United Nations-sponsored special sanctions relating
19 to arms transfers, nuclear cooperation, and exports
20 of oil. The Ad Hoc Committee on Southern Africa
21 of the Organization of African Unity, for example,
22 has urged that the oil embargo established pursuant
23 to a 1986 General Assembly resolution be lifted
24 after the establishment and commencement of the
25 work of the Transitional Executive Council.

1 **SEC. 3. UNITED STATES POLICY.**

2 It is the sense of the Congress that—

3 (1) the United States should—

4 (A) strongly support the Transitional Ex-
5 ecutive Council in South Africa,

6 (B) encourage rapid progress toward the
7 establishment of a nonracial democratic govern-
8 ment in South Africa, and

9 (C) support a consolidation of democracy
10 in South Africa through democratic elections
11 for an interim government and a new nonracial
12 constitution;

13 (2) the United States should continue to pro-
14 vide assistance to support the transition to a
15 nonracial democracy in South Africa, and should
16 urge international financial institutions and other
17 donors to also provide such assistance;

18 (3) to the maximum extent practicable, the
19 United States should consult closely with inter-
20 national financial institutions, other donors, and
21 South African entities on a coordinated strategy to
22 support the transition to a nonracial democracy in
23 South Africa;

24 (4) in order to provide ownership and manage-
25 rial opportunities, professional advancement, train-
26 ing, and employment for disadvantaged South Afri-

1 cans and to respond to the historical inequities cre-
2 ated under apartheid, the United States should—

3 (A) promote the expansion of private en-
4 terprise and free markets in South Africa,

5 (B) encourage the South African private
6 sector to take a special responsibility and inter-
7 est in providing such opportunities, advance-
8 ment, training, and employment for disadvan-
9 taged South Africans,

10 (C) encourage United States private sector
11 investment in and trade with South Africa,

12 (D) urge United States investors to de-
13 velop a working partnership with representative
14 organs of South African civil society, particu-
15 larly churches and trade unions, in promoting
16 responsible codes of corporate conduct and
17 other measures to address the historical inequi-
18 ties created under apartheid;

19 (5) the United States should urge the Govern-
20 ment of South Africa to liberalize its trade and in-
21 vestment policies to facilitate the expansion of the
22 economy, and to shift resources to meet the needs of
23 disadvantaged South Africans;

24 (6) the United States should promote coopera-
25 tion between South Africa and other countries in the

1 region to foster regional stability and economic
2 growth; and

3 ~~(7) The United States should demonstrate its~~
4 ~~support for an expedited transition to, and should~~
5 ~~adopt a long term policy beneficial to the establish-~~
6 ~~ment and perpetuation of, a nonracial democracy in~~
7 ~~South Africa.~~

8 **SEC. 4. REPEAL OF APARTHEID SANCTIONS LAWS AND**
9 **OTHER MEASURES DIRECTED AT SOUTH**
10 **AFRICA.**

11 ~~(a) COMPREHENSIVE ANTI-APARTHEID ACT.—~~

12 ~~(1) IN GENERAL.—All provisions of the Com-~~
13 ~~prehensive Anti-Apartheid Act of 1986 (22 U.S.C.~~
14 ~~5001 and following) are repealed as of the date of~~
15 ~~enactment of this Act, except for the sections speci-~~
16 ~~fied in paragraph (2).~~

17 ~~(2) EFFECTIVE DATE OF REPEAL OF CODE OF~~
18 ~~CONDUCT REQUIREMENTS.—Sections 1, 3, 203(a),~~
19 ~~203(b), 205, 207, 208, 601, 603, and 604 of the~~
20 ~~Comprehensive Anti-Apartheid Act of 1986 are re-~~
21 ~~pealed as of the date on which the President certifies~~
22 ~~to the Congress that an interim government, elected~~
23 ~~on a nonracial basis through free and fair elections,~~
24 ~~has taken office in South Africa.~~

1 (3) CONFORMING AMENDMENTS.—(A) Section
2 3 of the Comprehensive Anti-Apartheid Act of 1986
3 is amended by striking paragraphs (2) through (4)
4 and paragraphs (7) through (9), by inserting “and”
5 at the end of paragraph (5), and by striking “; and”
6 at the end of paragraph (6) and inserting a period.

7 (B) The following provisions of the Foreign As-
8 sistance Act of 1961 that were enacted by the Com-
9 prehensive Anti-Apartheid Act of 1986 are repealed:
10 subsections (e)(2), (f), and (g) of section 116 (22
11 U.S.C. 2151n); section 117 (22 U.S.C. 2151o), re-
12 lating to assistance for disadvantaged South Afri-
13 cans; and section 535 (22 U.S.C. 2346d). Section
14 116(e)(1) of the Foreign Assistance Act of 1961 is
15 amended by striking “(1)”.

16 (b) OTHER PROVISIONS.—The following provisions
17 are repealed or amended as follows:

18 (1) Subsections (c) and (d) of section 802 of
19 the International Security and Development Co-
20 operation Act of 1985 (99 Stat. 261) is repealed.

21 (2) Section 211 of the Foreign Relations Au-
22 thorization Act, Fiscal Years 1986 and 1987 (99
23 Stat. 432) is repealed, and section 1(b) of that Act
24 is amended by the striking the item in the table of
25 contents relating to section 211.

1 (3) Sections 1223 and 1224 of the Foreign Re-
2 lations Authorization Act, Fiscal Years 1988 and
3 1989 (101 Stat. 1415) is repealed, and section 1(b)
4 of that Act is amended by striking the items in the
5 table of contents relating to sections 1223 and 1224.

6 (4) Section 362 of the Foreign Relations Au-
7 thorization Act, Fiscal Years 1992 and 1993 (105
8 Stat. 716) is repealed, and section 2 of that Act is
9 amended by striking the item in the table of con-
10 tents relating to section 362.

11 (5) Section 2(b)(9) of the Export-Import Bank
12 Act of 1945 (12 U.S.C. 635(b)(9)) is repealed.

13 (6) Section 43 of the Bretton Woods Agree-
14 ments Act (22 U.S.C. 286aa) is amended by repeal-
15 ing subsection (b) and by striking “(a)”.

16 (7) Section 330 of H.R. 5205 of the 99th Con-
17 gress (Department of Transportation and Related
18 Agencies Appropriations Act, 1987) (22 U.S.C.
19 5056a) as incorporated by reference in section
20 101(l) of Public Law 99-500 and Public Law 99-
21 591, and made effective as if enacted into law by
22 section 106 of Public Law 100-202, is repealed.

23 (8)(A) Section 901(j)(2)(C) of the Internal Rev-
24 enue Code of 1986 (26 U.S.C. 901(j)(2)(C) is re-
25 pealed.

1 ~~(B)~~ Subparagraph (A) shall not be construed as
2 affecting any of the transitional rules contained in
3 Revenue Ruling 92-62 which apply by reason of the
4 termination of the period for which section 901(j) of
5 the Internal Revenue Code of 1986 was applicable to
6 South Africa.

7 ~~(9)~~ The table in section 502(b) of the Trade
8 Act of 1974 (19 U.S.C. 2462(b)) is amended by
9 striking “Republic of South Africa”.

10 ~~(10)~~ The undesignated paragraph entitled
11 “STATE AND LOCAL ANTI-APARTHEID POLICIES” in
12 chapter IX of the Dire Emergency Supplemental Ap-
13 propriations and Transfers, Urgent Supplementals,
14 and Correcting Enrollment Errors Act of 1989 (22
15 U.S.C. 5117) is repealed **effective October 1,**
16 **1995.**

17 ~~(11)~~ Section 210 of the Urgent Supplemental
18 Appropriations Act, 1986 (100 Stat. 749) is re-
19 pealed **effective October 1, 1995.**

20 ~~(c)~~ SANCTIONS MEASURES ADOPTED BY STATE OR
21 LOCAL GOVERNMENTS OR PRIVATE ENTITIES.—The Con-
22 gress urges all State or local governments and all private
23 entities in the United States that have adopted any re-
24 striction on economic interactions with South Africa, or

1 any policy discouraging such interaction, to rescind such
2 restriction or policy.

3 ~~(d) CONTINUATION OF UN SPECIAL SANCTIONS.—~~

4 It is the sense of the Congress that the United States
5 should continue to respect United Nations Security Coun-
6 cil resolutions on South Africa, including the resolution
7 providing for a mandatory embargo on arms sales to
8 South Africa and the resolutions relating to the import
9 of arms, restricting exports to the South African military
10 and police, and urging states to refrain from nuclear co-
11 operation that would contribute to the manufacture and
12 development by South Africa of nuclear weapons or nu-
13 clear devices.

14 **SEC. 5. UNITED STATES ASSISTANCE FOR THE TRANSITION**
15 **TO A NONRACIAL DEMOCRACY.**

16 ~~(a) IN GENERAL.—~~The President is authorized and
17 encouraged to provide assistance under chapter 10 of part
18 I of the Foreign Assistance Act of 1961 (relating to the
19 Development Fund for Africa) or chapter 4 of part II of
20 the Act (relating to the Economic Support Fund) to sup-
21 port the transition to nonracial democracy in South
22 Africa. Such assistance shall—

23 (1) focus on building the capacity of disadvan-
24 tagged South Africans to take their rightful place in

1 the political, social, and economic systems of their
2 country;

3 (2) give priority to working with and through
4 South African nongovernmental organizations whose
5 leadership and staff represent the majority popu-
6 lation and which have the support of the disadvan-
7 taged communities being served by such organiza-
8 tions;

9 (3) in the case of education programs—

10 (A) be used to increase the capacity of
11 South African institutions to better serve the
12 needs of individuals disadvantaged by apart-
13 heid;

14 (B) emphasize education with South Africa
15 to the extent the assistance takes the form of
16 scholarships for disadvantaged South African
17 students; and

18 (C) fund nontraditional training activities;

19 (4) support activities to prepare South Africa
20 for elections, including voter and civic education pro-
21 grams, political party building, and technical elec-
22 toral assistance;

23 (5) support activities and entities, such as the
24 Peace Accord structures, which are working to end
25 the violence in South Africa; and

1 ~~(6) support activities to promote human rights,~~
2 ~~democratization, and a civil society.~~

3 ~~(b) GOVERNMENT OF SOUTH AFRICA.—~~

4 ~~(1) LIMITATION ON ASSISTANCE.—Except as~~
5 ~~provided in paragraph (2), assistance provided in ac-~~
6 ~~cordance with this section may not be made available~~
7 ~~to the Government of South Africa, or organizations~~
8 ~~financed and substantially controlled by that govern-~~
9 ~~ment, unless the President certifies to the Congress~~
10 ~~that an interim government that was elected on a~~
11 ~~nonracial basis through free and fair elections has~~
12 ~~taken office in South Africa.~~

13 ~~(2) EXCEPTIONS.—Notwithstanding paragraph~~
14 ~~(1), assistance may be provided for—~~

15 ~~(A) the Transitional Executive Council;~~

16 ~~(B) South African higher education insti-~~
17 ~~tutions, particularly those traditionally dis-~~
18 ~~advantaged by apartheid policies; and~~

19 ~~(C) any other organization, entity, or activ-~~
20 ~~ity if the President determines that the assist-~~
21 ~~ance would promote the transition to nonracial~~
22 ~~democracy in South Africa.~~

23 ~~Any determination under subparagraph (C) should~~
24 ~~be based on consultations with South African indi-~~
25 ~~viduals and organizations representative of the~~

1 majority population in South Africa (particularly
2 consultations through the Transitional Executive
3 Council) and consultations with the appropriate con-
4 gressional committees.

5 **SEC. 6. UNITED STATES INVESTMENT AND TRADE.**

6 (a) ~~TAX TREATY.~~—The President should begin im-
7 mediately to negotiate a tax treaty with South Africa to
8 facilitate United States investment in that country.

9 (b) ~~OPIC.~~—The President should immediately initi-
10 ate negotiations with the Government of South Africa for
11 an agreement authorizing the Overseas Private Invest-
12 ment Corporation to carry out programs with respect to
13 South Africa in order to expand United States investment
14 in that country.

15 (c) ~~TRADE AND DEVELOPMENT AGENCY.~~—In carry-
16 ing out section 661 of the Foreign Assistance Act of 1961,
17 the Director of the Trade and Development Agency should
18 provide additional funds for activities related to projects
19 in South Africa.

20 (d) ~~EXPORT-IMPORT BANK.~~—The Export-Import
21 Bank of the United States should expand its activities in
22 connection with exports to South Africa.

23 (e) ~~PROMOTING DISADVANTAGED ENTERPRISES.~~—

24 (1) ~~INVESTMENT AND TRADE PROGRAMS.~~—

25 Each of the agencies referred to in subsection (b)

1 through (d) should take active steps to encourage
2 the use of its programs to promote business enter-
3 prises in South Africa that are majority-owned by
4 South Africans disadvantaged by apartheid.

5 (2) UNITED STATES GOVERNMENT PROCURE-
6 MENT.—To the extent not inconsistent with the obli-
7 gations of the United States under any international
8 agreement, the Secretary of State and the head of
9 any other department or agency of the United States
10 carrying out activities in South Africa shall, to the
11 maximum extent practicable, in procuring goods or
12 services, make affirmative efforts to assist business
13 enterprises having more than 50 percent beneficial
14 ownership by South African blacks or other
15 nonwhite South Africans, notwithstanding any law
16 relating to the making or performance of, or the ex-
17 penditure of funds for, United States Government
18 contracts.

19 **SEC. 7. INFORMATION AND EDUCATIONAL EXCHANGE PRO-**
20 **GRAMS.**

21 The Director of the United States Information Agen-
22 cy should use the authorities of the United States Infor-
23 mation and Educational Exchange Act of 1948 to promote
24 the development of a nonracial democracy in South Africa.

1 **SEC. 8. OTHER COOPERATIVE AGREEMENTS.**

2 In addition to the actions specified in the preceding
3 sections of this Act, the President should seek to conclude
4 cooperative agreements with South Africa on a range of
5 issues, including cultural and scientific issues.

6 **SEC. 9. INTERNATIONAL FINANCIAL INSTITUTIONS AND**
7 **OTHER DONORS.**

8 (a) ~~IN GENERAL.~~—The President should encourage
9 other donors, particularly Japan and the European Com-
10 munity countries, to expand their activities in support of
11 the transition to nonracial democracy in South Africa.

12 (b) ~~INTERNATIONAL FINANCIAL INSTITUTIONS.~~—
13 The Secretary of the Treasury should instruct the United
14 States Executive Director of each relevant international
15 financial institution, including the International Bank for
16 Reconstruction and Development and the International
17 Development Association, to urge that institution to initi-
18 ate or expand its lending and other financial assistance
19 activities to South Africa in order to support the transition
20 to nonracial democracy in South Africa.

21 **SEC. 10. CONSULTATION WITH SOUTH AFRICANS.**

22 In carrying out this Act, the President should consult
23 closely with South African individuals and organizations
24 representative of the majority population in South Africa
25 (particularly consultations through the Transitional Exec-

1 utive Council) and others committed to abolishing the
2 remnants of apartheid.

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “South African Demo-*
5 *cratic Transition Support Act of 1993”.*

6 **SEC. 2. FINDINGS.**

7 *The Congress makes the following findings:*

8 (1) *After decades of apartheid, South Africa has*
9 *entered a new era which presents a historic oppor-*
10 *tunity for a transition to a peaceful, stable, and*
11 *democratic future.*

12 (2) *The United States policy of economic sanc-*
13 *tions toward the apartheid government of South Afri-*
14 *ca, as expressed in the Comprehensive Anti-Apartheid*
15 *Act of 1986, helped bring about reforms in that sys-*
16 *tem of government and has facilitated the establish-*
17 *ment of a nonracial government.*

18 (3) *Through broad and open negotiations, the*
19 *parties in South Africa have reached a landmark*
20 *agreement on the future of their country. This agree-*
21 *ment includes the establishment of a Transitional Ex-*
22 *ecutive Council and the setting of a date for nonracial*
23 *elections.*

1 (4) *The international community has a vital in-*
2 *terest in supporting the transition from apartheid to-*
3 *ward nonracial democracy.*

4 (5) *The success of the transition in South Africa*
5 *is crucial to the stability and economic development*
6 *of the southern African region.*

7 (6) *Nelson Mandela of the African National Con-*
8 *gress and other representative leaders in South Africa*
9 *have declared that the time has come when the inter-*
10 *national community should lift all economic sanc-*
11 *tions against South Africa.*

12 (7) *In light of recent developments, the continu-*
13 *ation of these economic sanctions is detrimental to*
14 *persons disadvantaged by apartheid.*

15 (8) *Those calling for the lifting of economic sanc-*
16 *tions against South Africa have made clear that they*
17 *do not seek the immediate termination of the United*
18 *Nations-sponsored special sanctions relating to arms*
19 *transfers, nuclear cooperation, and exports of oil. The*
20 *Ad Hoc Committee on Southern Africa of the Organi-*
21 *zation of African Unity, for example, has urged that*
22 *the oil embargo established pursuant to a 1986 Gen-*
23 *eral Assembly resolution be lifted after the establish-*
24 *ment and commencement of the work of the Transi-*
25 *tional Executive Council.*

1 **SEC. 3. UNITED STATES POLICY.**

2 *It is the sense of the Congress that—*

3 *(1) the United States should—*

4 *(A) strongly support the Transitional Exec-*
5 *utive Council in South Africa,*

6 *(B) encourage rapid progress toward the es-*
7 *tablishment of a nonracial democratic govern-*
8 *ment in South Africa, and*

9 *(C) support a consolidation of democracy in*
10 *South Africa through democratic elections for an*
11 *interim government and a new nonracial con-*
12 *stitution;*

13 *(2) the United States should continue to provide*
14 *assistance to support the transition to a nonracial de-*
15 *mocracy in South Africa, and should urge inter-*
16 *national financial institutions and other donors to*
17 *also provide such assistance;*

18 *(3) to the maximum extent practicable, the Unit-*
19 *ed States should consult closely with international fi-*
20 *nancial institutions, other donors, and South African*
21 *entities on a coordinated strategy to support the tran-*
22 *sition to a nonracial democracy in South Africa;*

23 *(4) in order to provide ownership and manage-*
24 *rial opportunities, professional advancement, train-*
25 *ing, and employment for disadvantaged South Afri-*

1 *cans and to respond to the historical inequities cre-*
2 *ated under apartheid, the United States should—*

3 *(A) promote the expansion of private enter-*
4 *prise and free markets in South Africa,*

5 *(B) encourage the South African private*
6 *sector to take a special responsibility and inter-*
7 *est in providing such opportunities, advance-*
8 *ment, training, and employment for disadvan-*
9 *tagged South Africans,*

10 *(C) encourage United States private sector*
11 *investment in and trade with South Africa, and*

12 *(D) urge United States investors to develop*
13 *a working partnership with representative or-*
14 *gans of South African civil society, particularly*
15 *churches and trade unions, in promoting respon-*
16 *sible codes of corporate conduct and other meas-*
17 *ures to address the historical inequities created*
18 *under apartheid;*

19 *(5) the United States should urge the Govern-*
20 *ment of South Africa to liberalize its trade and in-*
21 *vestment policies to facilitate the expansion of the*
22 *economy, and to shift resources to meet the needs of*
23 *disadvantaged South Africans;*

24 *(6) the United States should promote cooperation*
25 *between South Africa and other countries in the re-*

1 *gion to foster regional stability and economic growth;*
 2 *and*

3 *(7) the United States should demonstrate its sup-*
 4 *port for an expedited transition to, and should adopt*
 5 *a long term policy beneficial to the establishment and*
 6 *perpetuation of, a nonracial democracy in South*
 7 *Africa.*

8 **SEC. 4. REPEAL OF APARTHEID SANCTIONS LAWS AND**
 9 **OTHER MEASURES DIRECTED AT SOUTH AF-**
 10 **RICA.**

11 *(a) COMPREHENSIVE ANTI-APARTHEID ACT.—*

12 *(1) IN GENERAL.—All provisions of the Com-*
 13 *prehensive Anti-Apartheid Act of 1986 (22 U.S.C.*
 14 *5001 and following) are repealed as of the date of en-*
 15 *actment of this Act, except for the sections specified*
 16 *in paragraph (2).*

17 *(2) EFFECTIVE DATE OF REPEAL OF CODE OF*
 18 *CONDUCT REQUIREMENTS.—Sections 1, 3, 203(a),*
 19 *203(b), 205, 207, 208, 601, 603, and 604 of the Com-*
 20 *prehensive Anti-Apartheid Act of 1986 are repealed as*
 21 *of the date on which the President certifies to the Con-*
 22 *gress that an interim government, elected on a*
 23 *nonracial basis through free and fair elections, has*
 24 *taken office in South Africa.*

1 (3) *CONFORMING AMENDMENTS.*—(A) *Section 3*
2 *of the Comprehensive Anti-Apartheid Act of 1986 is*
3 *amended by striking paragraphs (2) through (4) and*
4 *paragraphs (7) through (9), by inserting “and” at the*
5 *end of paragraph (5), and by striking “; and” at the*
6 *end of paragraph (6) and inserting a period.*

7 (B) *The following provisions of the Foreign As-*
8 *sistance Act of 1961 that were enacted by the Com-*
9 *prehensive Anti-Apartheid Act of 1986 are repealed:*
10 *subsections (e)(2), (f), and (g) of section 116 (22*
11 *U.S.C. 2151n); section 117 (22 U.S.C. 2151o), relat-*
12 *ing to assistance for disadvantaged South Africans;*
13 *and section 535 (22 U.S.C. 2346d). Section 116(e)(1)*
14 *of the Foreign Assistance Act of 1961 is amended by*
15 *striking “(1)”.*

16 (b) *OTHER PROVISIONS.*—*The following provisions are*
17 *repealed or amended as follows:*

18 (1) *Subsections (c) and (d) of section 802 of the*
19 *International Security and Development Cooperation*
20 *Act of 1985 (99 Stat. 261) is repealed.*

21 (2) *Section 211 of the Foreign Relations Author-*
22 *ization Act, Fiscal Years 1986 and 1987 (99 Stat.*
23 *432) is repealed, and section 1(b) of that Act is*
24 *amended by striking the item in the table of contents*
25 *relating to section 211.*

1 (3) *Sections 1223 and 1224 of the Foreign Rela-*
2 *tions Authorization Act, Fiscal Years 1988 and 1989*
3 *(101 Stat. 1415) is repealed, and section 1(b) of that*
4 *Act is amended by striking the items in the table of*
5 *contents relating to sections 1223 and 1224.*

6 (4) *Section 362 of the Foreign Relations Author-*
7 *ization Act, Fiscal Years 1992 and 1993 (105 Stat.*
8 *716) is repealed, and section 2 of that Act is amended*
9 *by striking the item in the table of contents relating*
10 *to section 362.*

11 (5) *Section 2(b)(9) of the Export-Import Bank*
12 *Act of 1945 (12 U.S.C. 635(b)(9)) is repealed.*

13 (6) *Section 43 of the Bretton Woods Agreements*
14 *Act (22 U.S.C. 286aa) is amended by repealing sub-*
15 *section (b) and by striking “(a)”.*

16 (7) *Section 330 of H.R. 5205 of the 99th Con-*
17 *gress (Department of Transportation and Related*
18 *Agencies Appropriations Act, 1987) (22 U.S.C.*
19 *5056a) as incorporated by reference in section 101(l)*
20 *of Public Law 99–500 and Public Law 99–591, and*
21 *made effective as if enacted into law by section 106*
22 *of Public Law 100–202, is repealed.*

23 (8)(A) *Section 901(j)(2)(C) of the Internal Reve-*
24 *nue Code of 1986 (26 U.S.C. 901(j)(2)(C)) is repealed.*

1 (B) Subparagraph (A) shall not be construed as
2 affecting any of the transitional rules contained in
3 Revenue Ruling 92–62 which apply by reason of the
4 termination of the period for which section 901(j) of
5 the Internal Revenue Code of 1986 was applicable to
6 South Africa.

7 (9) The table in section 502(b) of the Trade Act
8 of 1974 (19 U.S.C. 2462(b)) is amended by striking
9 “Republic of South Africa”.

10 (10) The undesignated paragraph entitled
11 “STATE AND LOCAL ANTI-APARTHEID POLICIES” in
12 chapter IX of the Dire Emergency Supplemental Ap-
13 propriations and Transfers, Urgent Supplementals,
14 and Correcting Enrollment Errors Act of 1989 (22
15 U.S.C. 5117) is repealed.

16 (11) Section 210 of the Urgent Supplemental
17 Appropriations Act, 1986 (100 Stat. 749) is repealed.

18 (c) SANCTIONS MEASURES ADOPTED BY STATE OR
19 LOCAL GOVERNMENTS OR PRIVATE ENTITIES.—The Con-
20 gress urges all State or local governments and all private
21 entities in the United States that have adopted any restric-
22 tion on economic interactions with South Africa, or any
23 policy discouraging such interaction, to rescind such re-
24 striction or policy.

1 (d) *CONTINUATION OF UN SPECIAL SANCTIONS.*—It is
2 the sense of the Congress that the United States should con-
3 tinue to respect United Nations Security Council resolu-
4 tions on South Africa, including the resolution providing
5 for a mandatory embargo on arms sales to South Africa
6 and the resolutions relating to the import of arms, restrict-
7 ing exports to the South African military and police, and
8 urging states to refrain from nuclear cooperation that
9 would contribute to the manufacture and development by
10 South Africa of nuclear weapons or nuclear devices.

11 **SEC. 5. UNITED STATES ASSISTANCE FOR THE TRANSITION**
12 **TO A NONRACIAL DEMOCRACY.**

13 (a) *IN GENERAL.*—The President is authorized and en-
14 couraged to provide assistance under chapter 10 of part I
15 of the Foreign Assistance Act of 1961 (relating to the Devel-
16 opment Fund for Africa) or chapter 4 of part II of that
17 Act (relating to the Economic Support Fund) to support
18 the transition to nonracial democracy in South Africa.
19 Such assistance shall—

20 (1) *focus on building the capacity of disadvan-*
21 *tagged South Africans to take their rightful place in*
22 *the political, social, and economic systems of their*
23 *country;*

24 (2) *give priority to working with and through*
25 *South African nongovernmental organizations whose*

1 *leadership and staff represent the majority population*
2 *and which have the support of the disadvantaged*
3 *communities being served by such organizations;*

4 *(3) in the case of education programs—*

5 *(A) be used to increase the capacity of*
6 *South African institutions to better serve the*
7 *needs of individuals disadvantaged by apartheid;*

8 *(B) emphasize education within South Afri-*
9 *ca to the extent that assistance takes the form of*
10 *scholarships for disadvantaged South African*
11 *students; and*

12 *(C) fund nontraditional training activities;*

13 *(4) support activities to prepare South Africa for*
14 *elections, including voter and civic education pro-*
15 *grams, political party building, and technical elec-*
16 *toral assistance;*

17 *(5) support activities and entities, such as the*
18 *Peace Accord structures, which are working to end the*
19 *violence in South Africa; and*

20 *(6) support activities to promote human rights,*
21 *democratization, and a civil society.*

22 *(b) GOVERNMENT OF SOUTH AFRICA.—*

23 *(1) LIMITATION ON ASSISTANCE.—Except as pro-*
24 *vided in paragraph (2), assistance provided in ac-*
25 *cordance with this section may not be made available*

1 to the Government of South Africa, or organizations
2 financed and substantially controlled by that govern-
3 ment, unless the President certifies to the Congress
4 that an interim government that was elected on a
5 nonracial basis through free and fair elections has
6 taken office in South Africa.

7 (2) *EXCEPTIONS.*—Notwithstanding paragraph
8 (1), assistance may be provided for—

9 (A) the Transitional Executive Council;

10 (B) South African higher education institu-
11 tions, particularly those traditionally disadvan-
12 taged by apartheid policies; and

13 (C) any other organization, entity, or activ-
14 ity if the President determines that the assist-
15 ance would promote the transition to nonracial
16 democracy in South Africa.

17 Any determination under subparagraph (C) should be
18 based on consultations with South African individ-
19 uals and organizations representative of the majority
20 population in South Africa (particularly consulta-
21 tions through the Transitional Executive Council)
22 and consultations with the appropriate congressional
23 committees.

24 (c) *INELIGIBLE ORGANIZATIONS.*—An organization
25 that has engaged in armed struggle or other acts of violence

1 *shall not be eligible for assistance provided in accordance*
2 *with this section unless that organization is committed to*
3 *a suspension of violence in the context of progress toward*
4 *nonracial democracy.*

5 **SEC. 6. UNITED STATES INVESTMENT AND TRADE.**

6 (a) *TAX TREATY.*—*The President should begin imme-*
7 *diately to negotiate a tax treaty with South Africa to facili-*
8 *tate United States investment in that country.*

9 (b) *OPIC.*—*The President should immediately initiate*
10 *negotiations with the Government of South Africa for an*
11 *agreement authorizing the Overseas Private Investment*
12 *Corporation to carry out programs with respect to South*
13 *Africa in order to expand United States investment in that*
14 *country.*

15 (c) *TRADE AND DEVELOPMENT AGENCY.*—*In carrying*
16 *out section 661 of the Foreign Assistance Act of 1961, the*
17 *Director of the Trade and Development Agency should pro-*
18 *vide additional funds for activities related to projects in*
19 *South Africa.*

20 (d) *EXPORT-IMPORT BANK.*—*The Export-Import*
21 *Bank of the United States should expand its activities in*
22 *connection with exports to South Africa.*

23 (e) *PROMOTING DISADVANTAGED ENTERPRISES.*—

24 (1) *INVESTMENT AND TRADE PROGRAMS.*—*Each*
25 *of the agencies referred to in subsections (b) through*

1 (d) should take active steps to encourage the use of its
2 programs to promote business enterprises in South
3 Africa that are majority-owned by South Africans
4 disadvantaged by apartheid.

5 (2) UNITED STATES GOVERNMENT PROCURE-
6 MENT.—To the extent not inconsistent with the obli-
7 gations of the United States under any international
8 agreement, the Secretary of State and the head of any
9 other department or agency of the United States car-
10 rying out activities in South Africa shall, to the max-
11 imum extent practicable, in procuring goods or serv-
12 ices, make affirmative efforts to assist business enter-
13 prises having more than 50 percent beneficial owner-
14 ship by South African blacks or other nonwhite South
15 Africans, notwithstanding any law relating to the
16 making or performance of, or the expenditure of funds
17 for, United States Government contracts.

18 **SEC. 7. INFORMATION AND EDUCATIONAL EXCHANGE PRO-**
19 **GRAMS.**

20 The Director of the United States Information Agency
21 should use the authorities of the United States Information
22 and Educational Exchange Act of 1948 to promote the de-
23 velopment of a nonracial democracy in South Africa.

1 **SEC. 8. OTHER COOPERATIVE AGREEMENTS.**

2 *In addition to the actions specified in the preceding*
3 *sections of this Act, the President should seek to conclude*
4 *cooperative agreements with South Africa on a range of is-*
5 *ssues, including cultural and scientific issues.*

6 **SEC. 9. INTERNATIONAL FINANCIAL INSTITUTIONS AND**
7 **OTHER DONORS.**

8 *(a) IN GENERAL.—The President should encourage*
9 *other donors, particularly Japan and the European Com-*
10 *munity countries, to expand their activities in support of*
11 *the transition to nonracial democracy in South Africa.*

12 *(b) INTERNATIONAL FINANCIAL INSTITUTIONS.—The*
13 *Secretary of the Treasury should instruct the United States*
14 *Executive Director of each relevant international financial*
15 *institution, including the International Bank for Recon-*
16 *struction and Development and the International Develop-*
17 *ment Association, to urge that institution to initiate or ex-*
18 *pand its lending and other financial assistance activities*
19 *to South Africa in order to support the transition to*
20 *nonracial democracy in South Africa.*

21 **SEC. 10. CONSULTATION WITH SOUTH AFRICANS.**

22 *In carrying out this Act, the President should consult*
23 *closely with South African individuals and organizations*
24 *representative of the majority population in South Africa*
25 *(particularly consultations through the Transitional Execu-*

1 *tive Council) and others committed to abolishing the rem-*
2 *nants of apartheid.*

3 **SECTION 1. SHORT TITLE.**

4 **This Act may be cited as the “South Afri-**
5 **can Democratic Transition Support Act of**
6 **1993”.**

7 **SEC. 2. FINDINGS.**

8 **The Congress makes the following find-**
9 **ings:**

10 **(1) After decades of apartheid, South**
11 **Africa has entered a new era which pre-**
12 **sents a historic opportunity for a transi-**
13 **tion to a peaceful, stable, and democratic**
14 **future.**

15 **(2) Through broad and open negotia-**
16 **tions, the parties in South Africa have**
17 **reached a landmark agreement on the fu-**
18 **ture of their country. This agreement in-**
19 **cludes the establishment of a Transi-**
20 **tional Executive Council and the setting**
21 **of a date for nonracial elections.**

22 **(3) The international community has**
23 **a vital interest in supporting the transi-**
24 **tion from apartheid toward nonracial de-**
25 **mocracy.**

1 **(4) The success of the transition in**
2 **South Africa is crucial to the stability**
3 **and economic development of the south-**
4 **ern African region.**

5 **(5) Nelson Mandela of the African Na-**
6 **tional Congress and other representative**
7 **leaders in South Africa have declared**
8 **that the time has come when the inter-**
9 **national community should lift all eco-**
10 **nomie sanctions against South Africa.**

11 **(6) In light of recent developments,**
12 **the continuation of these economic sanc-**
13 **tions is detrimental to persons disadvan-**
14 **tagged by apartheid.**

15 **(7) Those calling for the lifting of eco-**
16 **nomie sanctions against South Africa**
17 **have made clear that they do not seek the**
18 **immediate termination of the United Na-**
19 **tions-sponsored special sanctions relating**
20 **to arms transfers, nuclear cooperation,**
21 **and exports of oil. The Ad Hoc Committee**
22 **on Southern Africa of the Organization of**
23 **African Unity, for example, has urged**
24 **that the oil embargo established pursu-**
25 **ant to a 1986 General Assembly resolu-**

1 **tion be lifted after the establishment and**
2 **commencement of the work of the Transi-**
3 **tional Executive Council.**

4 **SEC. 3. UNITED STATES POLICY.**

5 **It is the sense of the Congress that—**

6 **(1) the United States should—**

7 **(A) strongly support the Transi-**
8 **tional Executive Council in South Af-**
9 **rica,**

10 **(B) encourage rapid progress to-**
11 **ward the establishment of a nonracial**
12 **democratic government in South Afri-**
13 **ca, and**

14 **(C) support a consolidation of de-**
15 **mocracy in South Africa through**
16 **democratic elections for an interim**
17 **government and a new nonracial con-**
18 **stitution;**

19 **(2) the United States should continue**
20 **to provide assistance to support the tran-**
21 **sition to a nonracial democracy in South**
22 **Africa, and should urge international fi-**
23 **nancial institutions and other donors to**
24 **also provide such assistance;**

1 **(3) to the maximum extent prac-**
2 **ticable, the United States should consult**
3 **closely with international financial insti-**
4 **tutions, other donors, and South African**
5 **entities on a coordinated strategy to sup-**
6 **port the transition to a nonracial democ-**
7 **racy in South Africa;**

8 **(4) in order to provide ownership and**
9 **managerial opportunities, professional**
10 **advancement, training, and employment**
11 **for disadvantaged South Africans and to**
12 **respond to the historical inequities cre-**
13 **ated under apartheid, the United States**
14 **should—**

15 **(A) promote the expansion of pri-**
16 **vate enterprise and free markets in**
17 **South Africa,**

18 **(B) encourage the South African**
19 **private sector to take a special re-**
20 **sponsibility and interest in providing**
21 **such opportunities, advancement,**
22 **training, and employment for dis-**
23 **advantaged South Africans,**

1 **(C) encourage United States pri-**
2 **vate sector investment in and trade**
3 **with South Africa, and**

4 **(D) urge United States investors**
5 **to develop a working partnership**
6 **with representative organs of South**
7 **African civil society, particularly**
8 **churches and trade unions, in pro-**
9 **moting responsible codes of corporate**
10 **conduct and other measures to ad-**
11 **dress the historical inequities created**
12 **under apartheid;**

13 **(5) the United States should urge the**
14 **Government of South Africa to liberalize**
15 **its trade and investment policies to facili-**
16 **tate the expansion of the economy, and to**
17 **shift resources to meet the needs of dis-**
18 **advantaged South Africans;**

19 **(6) the United States should promote**
20 **cooperation between South Africa and**
21 **other countries in the region to foster re-**
22 **gional stability and economic growth;**
23 **and**

24 **(7) The United States should dem-**
25 **onstrate its support for an expedited**

1 **transition to, and should adopt a long**
2 **term policy beneficial to the establish-**
3 **ment and perpetuation of, a nonracial de-**
4 **mocracy in South Africa.**

5 **SEC. 4. REPEAL OF APARTHEID SANCTIONS LAWS AND**
6 **OTHER MEASURES DIRECTED AT SOUTH**
7 **AFRICA.**

8 **(a) COMPREHENSIVE ANTI-APARTHEID ACT.—**

9 **(1) IN GENERAL.—All provisions of the**
10 **Comprehensive Anti-Apartheid Act of**
11 **1986 (22 U.S.C. 5001 and following) are re-**
12 **pealed as of the date of enactment of this**
13 **Act, except for the sections specified in**
14 **paragraph (2).**

15 **(2) EFFECTIVE DATE OF REPEAL OF CODE**
16 **OF CONDUCT REQUIREMENTS.—Sections 1, 3,**
17 **203(a), 203(b), 205, 207, 208, 601, 603, and**
18 **604 of the Comprehensive Anti-Apartheid**
19 **Act of 1986 are repealed as of the date on**
20 **which the President certifies to the Con-**
21 **gress that an interim government, elected**
22 **on a nonracial basis through free and**
23 **fair elections, has taken office in South**
24 **Africa.**

1 **(3) CONFORMING AMENDMENTS.—(A)**
2 **Section 3 of the Comprehensive Anti-**
3 **Apartheid Act of 1986 is amended by**
4 **striking paragraphs (2) through (4) and**
5 **paragraphs (7) through (9), by inserting**
6 **“and” at the end of paragraph (5), and by**
7 **striking “; and” at the end of paragraph**
8 **(6) and inserting a period.**

9 **(B) The following provisions of the**
10 **Foreign Assistance Act of 1961 that were**
11 **enacted by the Comprehensive Anti-**
12 **Apartheid Act of 1986 are repealed: sub-**
13 **sections (e)(2), (f), and (g) of section 116**
14 **(22 U.S.C. 2151n); section 117 (22 U.S.C.**
15 **2151o), relating to assistance for dis-**
16 **advantaged South Africans; and section**
17 **535 (22 U.S.C. 2346d). Section 116(e)(1) of**
18 **the Foreign Assistance Act of 1961 is**
19 **amended by striking “(1)”.**

20 **(b) OTHER PROVISIONS.—The following pro-**
21 **visions are repealed or amended as follows:**

22 **(1) Subsections (c) and (d) of section**
23 **802 of the International Security and De-**
24 **velopment Cooperation Act of 1985 (99**
25 **Stat. 261) is repealed.**

1 **(2) Section 211 of the Foreign Rela-**
2 **tions Authorization Act, Fiscal Years 1986**
3 **and 1987 (99 Stat. 432) is repealed, and**
4 **section 1(b) of that Act is amended by**
5 **striking the item in the table of contents**
6 **relating to section 211.**

7 **(3) Sections 1223 and 1224 of the For-**
8 **ign Relations Authorization Act, Fiscal**
9 **Years 1988 and 1989 (101 Stat. 1415) is re-**
10 **pealed, and section 1(b) of that Act is**
11 **amended by striking the items in the**
12 **table of contents relating to sections 1223**
13 **and 1224.**

14 **(4) Section 362 of the Foreign Rela-**
15 **tions Authorization Act, Fiscal Years 1992**
16 **and 1993 (105 Stat. 716) is repealed, and**
17 **section 2 of that Act is amended by strik-**
18 **ing the item in the table of contents relat-**
19 **ing to section 362.**

20 **(5) Section 2(b)(9) of the Export-Im-**
21 **port Bank Act of 1945 (12 U.S.C. 635(b)(9))**
22 **is repealed.**

23 **(6) Section 43 of the Bretton Woods**
24 **Agreements Act (22 U.S.C. 286aa) is**

1 **amended by repealing subsection (b) and**
2 **by striking “(a)”.**

3 **(7) Section 330 of H.R. 5205 of the**
4 **99th Congress (Department of Transpor-**
5 **tation and Related Agencies Appropria-**
6 **tions Act, 1987) (22 U.S.C. 5056a) as incor-**
7 **porated by reference in section 101(l) of**
8 **Public Law 99–500 and Public Law 99–**
9 **591, and made effective as if enacted into**
10 **law by section 106 of Public Law 100–202,**
11 **is repealed.**

12 **(8)(A) Section 901(j)(2)(C) of the Inter-**
13 **nal Revenue Code of 1986 (26 U.S.C.**
14 **901(j)(2)(C)) is repealed.**

15 **(B) Subparagraph (A) shall not be**
16 **construed as affecting any of the transi-**
17 **tional rules contained in Revenue Ruling**
18 **92–62 which apply by reason of the termi-**
19 **nation of the period for which section**
20 **901(j) of the Internal Revenue Code of**
21 **1986 was applicable to South Africa.**

22 **(9) The table in section 502(b) of the**
23 **Trade Act of 1974 (19 U.S.C. 2462(b)) is**
24 **amended by striking “Republic of South**
25 **Africa”.**

1 **(10) The undesignated paragraph en-**
2 **titled “STATE AND LOCAL ANTI-APARTHEID**
3 **POLICIES” in chapter IX of the Dire Emer-**
4 **gency Supplemental Appropriations and**
5 **Transfers, Urgent Supplementals, and**
6 **Correcting Enrollment Errors Act of 1989**
7 **(22 U.S.C. 5117) is repealed.**

8 **(11) Section 210 of the Urgent Supple-**
9 **mental Appropriations Act, 1986 (100**
10 **Stat. 749) is repealed.**

11 **(c) SANCTIONS MEASURES ADOPTED BY**
12 **STATE OR LOCAL GOVERNMENTS OR PRIVATE EN-**
13 **TITIES.—The Congress urges all State or local**
14 **governments and all private entities in the**
15 **United States that have adopted any restric-**
16 **tion on economic interactions with South Af-**
17 **rica, or any policy discouraging such inter-**
18 **action, to rescind such restriction or policy.**

19 **(d) CONTINUATION OF UN SPECIAL SANC-**
20 **TIONS.—It is the sense of the Congress that the**
21 **United States should continue to respect Unit-**
22 **ed Nations Security Council resolutions on**
23 **South Africa, including the resolution provid-**
24 **ing for a mandatory embargo on arms sales to**
25 **South Africa and the resolutions relating to**

1 **the import of arms, restricting exports to the**
2 **South African military and police, and urging**
3 **states to refrain from nuclear cooperation**
4 **that would contribute to the manufacture and**
5 **development by South Africa of nuclear weap-**
6 **ons or nuclear devices.**

7 **SEC. 5. UNITED STATES ASSISTANCE FOR THE TRANSITION**
8 **TO A NONRACIAL DEMOCRACY.**

9 **(a) IN GENERAL.—The President is author-**
10 **ized and encouraged to provide assistance**
11 **under chapter 10 of part I of the Foreign As-**
12 **sistance Act of 1961 (relating to the Develop-**
13 **ment Fund for Africa) or chapter 4 of part II**
14 **of the Act (relating to the Economic Support**
15 **Fund) to support the transition to nonracial**
16 **democracy in South Africa. Such assistance**
17 **shall—**

18 **(1) focus on building the capacity of**
19 **disadvantaged South Africans to take**
20 **their rightful place in the political, social,**
21 **and economic systems of their country;**

22 **(2) give priority to working with and**
23 **through South African nongovernmental**
24 **organizations whose leadership and staff**
25 **represent the majority population and**

1 **which have the support of the disadvan-**
2 **tagged communities being served by such**
3 **organizations;**

4 **(3) in the case of education pro-**
5 **grams—**

6 **(A) be used to increase the capac-**
7 **ity of South African institutions to**
8 **better serve the needs of individuals**
9 **disadvantaged by apartheid;**

10 **(B) emphasize education with**
11 **South Africa to the extent the assist-**
12 **ance takes the form of scholarships**
13 **for disadvantaged South African stu-**
14 **dents; and**

15 **(C) fund nontraditional training**
16 **activities;**

17 **(4) support activities to prepare**
18 **South Africa for elections, including**
19 **voter and civic education programs, po-**
20 **litical party building, and technical elec-**
21 **toral assistance;**

22 **(5) support activities and entities,**
23 **such as the Peace Accord structures,**
24 **which are working to end the violence in**
25 **South Africa; and**

1 **(6) support activities to promote**
2 **human rights, democratization, and a**
3 **civil society.**

4 **(b) GOVERNMENT OF SOUTH AFRICA.—**

5 **(1) LIMITATION ON ASSISTANCE.—Except**
6 **as provided in paragraph (2), assistance**
7 **provided in accordance with this section**
8 **may not be made available to the Govern-**
9 **ment of South Africa, or organizations fi-**
10 **nanced and substantially controlled by**
11 **that government, unless the President**
12 **certifies to the Congress that an interim**
13 **government that was elected on a**
14 **nonracial basis through free and fair**
15 **elections has taken office in South Africa.**

16 **(2) EXCEPTIONS.—Notwithstanding**
17 **paragraph (1), assistance may be pro-**
18 **vided for—**

19 **(A) the Transitional Executive**
20 **Council;**

21 **(B) South African higher edu-**
22 **cation institutions, particularly those**
23 **traditionally disadvantaged by apart-**
24 **heid policies; and**

1 **(C) any other organization, entity,**
2 **or activity if the President deter-**
3 **mines that the assistance would pro-**
4 **mote the transition to nonracial de-**
5 **mocracy in South Africa.**

6 **Any determination under subparagraph**
7 **(C) should be based on consultations with**
8 **South African individuals and organiza-**
9 **tions representative of the majority popu-**
10 **lation in South Africa (particularly con-**
11 **sultations through the Transitional Exec-**
12 **utive Council) and consultations with the**
13 **appropriate congressional committees.**

14 **SEC. 6. UNITED STATES INVESTMENT AND TRADE.**

15 **(a) TAX TREATY.—The President should**
16 **begin immediately to negotiate a tax treaty**
17 **with South Africa to facilitate United States**
18 **investment in that country.**

19 **(b) OPIC.—The President should imme-**
20 **diately initiate negotiations with the Govern-**
21 **ment of South Africa for an agreement au-**
22 **thorizing the Overseas Private Investment**
23 **Corporation to carry out programs with re-**
24 **spect to South Africa in order to expand**
25 **United States investment in that country.**

1 **(c) TRADE AND DEVELOPMENT AGENCY.—In**
2 **carrying out section 661 of the Foreign Assist-**
3 **ance Act of 1961, the Director of the Trade**
4 **and Development Agency should provide ad-**
5 **ditional funds for activities related to projects**
6 **in South Africa.**

7 **(d) EXPORT-IMPORT BANK.—The Export-Im-**
8 **port Bank of the United States should expand**
9 **its activities in connection with exports to**
10 **South Africa.**

11 **(e) PROMOTING DISADVANTAGED ENTER-**
12 **PRISES.—**

13 **(1) INVESTMENT AND TRADE PRO-**
14 **GRAMS.—Each of the agencies referred to**
15 **in subsection (b) through (d) should take**
16 **active steps to encourage the use of its**
17 **programs to promote business enter-**
18 **prises in South Africa that are majority-**
19 **owned by South Africans disadvantaged**
20 **by apartheid.**

21 **(2) UNITED STATES GOVERNMENT PRO-**
22 **CUREMENT.—To the extent not inconsis-**
23 **ent with the obligations of the United**
24 **States under any international agree-**
25 **ment, the Secretary of State and the head**

1 **of any other department or agency of the**
2 **United States carrying out activities in**
3 **South Africa shall, to the maximum ex-**
4 **tent practicable, in procuring goods or**
5 **services, make affirmative efforts to as-**
6 **sist business enterprises having more**
7 **than 50 percent beneficial ownership by**
8 **South African blacks or other nonwhite**
9 **South Africans, notwithstanding any law**
10 **relating to the making or performance of,**
11 **or the expenditure of funds for, United**
12 **States Government contracts.**

13 **SEC. 7. INFORMATION AND EDUCATIONAL EXCHANGE PRO-**
14 **GRAMS.**

15 **The Director of the United States Infor-**
16 **mation Agency should use the authorities of**
17 **the United States Information and Edu-**
18 **cational Exchange Act of 1948 to promote the**
19 **development of a nonracial democracy in**
20 **South Africa.**

21 **SEC. 8. OTHER COOPERATIVE AGREEMENTS.**

22 **In addition to the actions specified in the**
23 **preceding sections of this Act, the President**
24 **should seek to conclude cooperative agree-**

1 **ments with South Africa on a range of issues,**
2 **including cultural and scientific issues.**

3 **SEC. 9. INTERNATIONAL FINANCIAL INSTITUTIONS AND**
4 **OTHER DONORS.**

5 **(a) IN GENERAL.—The President should en-**
6 **courage other donors, particularly Japan and**
7 **the European Community countries, to ex-**
8 **pand their activities in support of the transi-**
9 **tion to nonracial democracy in South Africa.**

10 **(b) INTERNATIONAL FINANCIAL INSTITU-**
11 **TIONS.—The Secretary of the Treasury should**
12 **instruct the United States Executive Director**
13 **of each relevant international financial insti-**
14 **tution, including the International Bank for**
15 **Reconstruction and Development and the**
16 **International Development Association, to**
17 **urge that institution to initiate or expand its**
18 **lending and other financial assistance activi-**
19 **ties to South Africa in order to support the**
20 **transition to nonracial democracy in South**
21 **Africa.**

22 **(c) TECHNICAL ASSISTANCE.—The Secretary**
23 **of the Treasury should instruct the United**
24 **States Executive Director of each relevant**
25 **international financial institution to urge**

1 **that institution to fund programs to initiate**
2 **or expand technical assistance to South Afri-**
3 **ca for the purpose of training the people of**
4 **South Africa in government management**
5 **techniques.**

6 **SEC. 10. CONSULTATION WITH SOUTH AFRICANS.**

7 **In carrying out this Act, the President**
8 **should consult closely with South African in-**
9 **dividuals and organizations representative of**
10 **the majority population in South Africa (par-**
11 **ticularly consultations through the Transi-**
12 **tional Executive Council) and others commit-**
13 **ted to abolishing the remnants of apartheid.**